



The Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: Noslot Pest Control, Inc.

File: B-234290

Date: April 20, 1989

DIGEST

1. Bid is responsive despite individual surety's failure to file pledge of assets with bid bond since a pledge of assets is information which bears on responsibility and, as such, may be furnished any time prior to award.
2. Failure of a bidder to sign a bid bond in the capacity of principal constitutes a minor informality that can be waived where the unsigned bond is submitted with a signed bid.
3. The validity of a bid is not affected by the bidder's failure to affix a corporate seal to the bid or the bid bond.
4. Alleged defects in affidavit of individual surety submitted with bid bond do not affect responsiveness of bid since affidavit serves only to assist the contracting officer in determining the surety's responsibility.

DECISION

Noslot Pest Control, Inc., protests the award of a contract to any other bidder under invitation for bids (IFB) No. GS-11P-89MJC0015, issued by the General Services Administration (GSA) for custodial services. Noslot, the fourth lowest bidder, contends that the three low bids should have been rejected as nonresponsive and thus that it is entitled to the award.

We deny the protest.

The IFB required the bidders to furnish a bid guarantee in an amount equal to 20 percent of the bid. The three low bidders, Trans-Atlantic Industries Inc., Complete Building Services, Inc., and Eastern Environmental Services, submitted bonds in the requisite amounts, each listing two

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individual sureties. All of the sureties completed their respective affidavits of individual surety, Standard Form (SF) 28, as required by the solicitation; however, none of the individual sureties complied with the solicitation requirement to submit a pledge of assets in the form of evidence of an escrow account containing commercial and/or government securities and/or a recorded covenant not to convey or encumber real estate.

Noslot first argues that the bids are nonresponsive based on the sureties' failure to submit pledges of assets. GSA disagrees, arguing that the issue of whether or not a pledge of assets has been submitted by a bidder is a question of responsibility that may be resolved any time prior to award, rather than, as Noslot argues, a question of responsiveness which must be determined from a facial examination of the bid package at bid opening. We agree.

The purpose of a bid guarantee is to secure the liability of a surety to the government in the event that the bidder fails to fulfill its obligation to execute a written contract. The sufficiency, and thus the responsiveness, of a bid guarantee depends on whether a surety is clearly bound by its terms. O.V. Campbell & Sons Industries, Inc., B-229555, Mar. 14, 1988, 88-1 CPD ¶ 259. The failure to submit a surety's pledge of assets with the bid, however, in no way affects the individual surety's liability. In fact, a pledge of assets serves only one purpose: it assists the contracting officer in determining the financial acceptability of the individual surety, which itself is a matter of responsibility, not responsiveness. See Aceves Construction and Maintenance, Inc., B-233027, Jan. 4, 1989, 89-1 CPD ¶ 7. Thus, even though the IFB required a pledge of assets from each individual surety, since the pledges contain information bearing on responsibility, they may be provided any time prior to award. See American Construction, B-213199, July 24, 1984, 84-2 CPD ¶ 95.

Noslot also argues that even though the principals of Trans-Atlantic and Complete signed their bids, the bids are nonetheless nonresponsive because the principals did not sign their respective bonds, as required by the instructions on the standard bond form. Even though the instructions require the principal's signature on the bond, we do not regard the signature as a material requirement with which the bidder must comply in order to be responsive where, as here, the unsigned bond is submitted with a signed bid. See P-B Engineering Co., B-229739, Jan. 25, 1988, 88-1 CPD ¶ 71. Since the bidder is already obligated under the bid and the failure to sign would not affect the sureties'

obligation to the government, GSA was not required to reject Trans-Atlantic's and Complete's bids as nonresponsive on this basis.

The protester also contends that the bids submitted by Eastern and Complete are nonresponsive because the firms failed to affix corporate seals to their respective "signature pages." We find this argument to be without merit. The absence of corporate seals from the bid or bid bond does not make the bids nonresponsive since evidence of a signer's authority to bind the bidding company may be furnished after bid opening. West Georgia Industrial Piping and Plumbing Inc., B-227754, Sept. 22, 1987, 87-2 CPD ¶ 289. In any event, Eastern is a partnership and, as such, does not have to place a corporate seal on its bid bond.

Finally, the protester contends that the three low bids are nonresponsive because the affidavits submitted by the sureties contained several defects. For example, Noslot states that each bidder used sureties who are husband and wife, and who both listed the same personal residence as a solely-owned asset. Like the other grounds of this protest, we find this argument to be without merit. Since each of the sureties properly executed a bid bond in a sufficient amount and submitted an affidavit showing a net worth in excess of the amount of the bond, and there are no other obvious defects detracting from the sureties' liability on the bonds, the bonds on their face are acceptable. Whether the assets listed in the sureties' affidavits are acceptable and sufficient to support the bonds is a matter of responsibility, and does not affect the responsiveness of the bids. See Hispanic Maintenance Services, B-218199, Apr. 22, 1985, 85-1 CPD ¶ 461; Fitts Construction Co., B-211514, Aug. 9, 1983, 83-2 CPD ¶ 190.

The protest is denied.



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